Calling on the President to Submit the United States – Colombia Trade Promotion Agreement to Congress in time for its consideration by not later than July 1, 2011.

RESOLUTION

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Whereas on November 22, 2006, the United States and Colombia signed a trade agreement known as the United States–Colombia Trade Promotion Agreement;

Whereas following the signing of the initial text and after extensive consultations with Congress that led to a bipartisan agreement, the United States and Colombia agreed to the inclusion of additional provisions that provide new commitments with regard to labor rights, environment, and additional provisions, and the Colombian Legislature ratified the modified Trade Agreement on October 30, 2007;

Whereas the United States has not yet ratified the Trade Agreement and, in the [1590] days since it was signed, U.S. exporters have paid more than $3,440,000,000 in tariffs that they would not have had to pay had the Trade Agreement been in force;

Whereas the Chairman of the Ways & Means Committee, Congressman Dave Camp, has called on the President to submit the Trade Agreement to Congress to allow consideration of all three pending trade agreements by July 1, 2011;

Whereas United States exports to Colombia reached $12,000,000,000 in 2010, making Colombia the second-largest market in South America for United States exports, after only Brazil, and the second-largest market in the Spanish-speaking world for United States exports, after only Mexico;

Whereas two-way trade between the United States and Colombia was valued at $28,000,000,000 in 2010, making Colombia the United States' third-largest trading partner in Latin America, after Mexico and Brazil;

Whereas over the last 5 years, Colombia has been the largest market for United States agriculture exports in South America and the third-largest market in the Western Hemisphere, with United States exports totaling $4,300,000,000;

Whereas over the 5-year period from 2004 to 2008, United States agriculture exports to Colombia grew at an average annual rate of 38 percent;

Whereas the Economist Intelligence Unit, an independent source of global market analysis, named Colombia in 2010 as the first of 6 ''CIVETS'', emerging economies with the best growth prospects for this decade;

Whereas enacting the Trade Agreement is of vital importance to achieving the President's export goals as stated through the National Export Initiative because analysis by the United States International Trade Commission (ITC) estimates that United States exports to Colombia will increase by $1,100,000,000 with the Trade Agreement;

Whereas according to the ITC's analysis, the Trade Agreement will add $2,500,000,000 per year to United States Gross Domestic Product (GDP);

Whereas more than 99 percent of Colombian exports already enter the United States duty-free under the Andean Trade Preference Act (ATPA), although the benefits of ATPA have been interrupted since its expiration on February 13, 2011;

Whereas the average tariff paid by Colombian exports to the United States in 2009 and 2010 was less than one percent;

Whereas the Trade Agreement will reduce the average tariff faced by United States exporters by more than 68 percent, from 11.2 percent in 2009 to 3.6 percent immediately upon implementation of the Agreement;

Whereas over 80 percent of United States exports of consumer and industrial products to Colombia will become duty-free immediately upon implementation of the Trade Agreement, with remaining tariffs phased out over 10 years;

Whereas, in contrast to the already advantageous tariffs faced by Colombian exports into the United States, U.S. agriculture exports to Colombia currently face an average tariff of 20 percent;

Whereas, immediately upon implementation of the Trade Agreement, Colombia will give duty-free treatment to U.S. exporters for 78 percent of Colombia's agriculture tariff lines;

Whereas within five years of implementation of the Trade Agreement, nearly 93 percent of all of Colombia's agriculture tariff lines will be duty-free for U.S. exporters;

Whereas the Trade Agreement would immediately eliminate Colombia's price-band system, which imposes a variable charge on top of the regular import duties on key agriculture exports such as poultry, pork, dairy, barley, wheat, sorghum, corn, sugar, and rice;

Whereas, under the Trade Agreement, Colombia will lift unscientific BSE-related restrictions on U.S. agricultural exports, and Colombia will recognize the equivalence of the U.S. food safety system for meat, poultry, and processed foods;

Whereas the American Farm Bureau estimates that the increase in United States agriculture exports to Colombia as a result of the Trade Agreement could exceed $690,000,000, more than doubling current United States agriculture exports;

Whereas the ITC estimates that the Trade Agreement will increase U.S. wheat exports to Colombia by 11 percent; other grains by 20 percent; vegetables, fruits, and nuts by 32 percent; beef by 46 percent; dairy by 110 percent; and processed rice by 646 percent;

Whereas in 2009, 41 U.S. States exported agriculture products to Colombia;

Whereas the Trade Agreement will provide U.S. service firms with market access, national treatment, and regulatory transparency that exceed that afforded by the WTO General Agreement on Trade in Services (GATS), including by reducing Colombia's barriers in the banking sector by more than half, according to ITC estimates;

Whereas the Trade Agreement will result in an increase in U.S. exports of fabric, yarn, and other textiles to Colombia for use in its apparel industry, according to ITC estimates, and the agreement does not allow the use of third-country fabrics through a trade preference level, so Chinese inputs will not obtain increased access to the U.S. market;

Whereas the United States is losing market share in key Colombian import markets because other major countries whose exporters compete with U.S. exporters have been negotiating and implementing trade agreements with Colombia, while we delay ratification of our own pending Trade Agreement;

Whereas on January 1, 2009, agricultural provisions of Colombia's trade agreement with Argentina, Brazil, and other MERCOSUR countries went into force, giving those countries' exporters a substantial tariff advantage over U.S. exporters;

Whereas on November 21, 2008, Colombia and Canada signed a Trade Agreement, which has been ratified by both countries, approved by Colombia's Constitutional Court, and is expected to go into effect by July 1, 2011, and which will give Canadian exporters a substantial tariff advantage over U.S. exporters;

Whereas on March 1, 2010, Colombia and the European Union completed negotiation of a Free Trade Agreement, which is expected to be ratified this year;

Whereas on December 7, 2009, Colombia and South Korea launched Free Trade Agreement negotiations, which are ongoing;

Whereas on March 15, 2010, Colombia and Panama launched Free Trade Agreement negotiations, which are ongoing;

Whereas, upon entry into force of the agricultural provisions of the Colombia-MERCOSUR trade agreement, United States exports to Colombia of key agricultural products declined 48 percent in 2009 and another 45 percent in 2010, reducing the U.S. share of Colombia's import market for those products from 71 percent to 27 percent in two years;

Whereas that 44 percentage points of market share that the United States lost (from 71 percent to 27 percent) have been nearly exactly matched by the 37 percentage points of increased market share for Argentina over the same time period;

Whereas United States farmers saw their exports of corn, wheat, and soybeans to Colombia plummet from $1,100,000,000 in 2008 to only $343,000,000 in 2010, a decline of 68 percent;

Whereas while U.S. exports to Colombia have plummeted as a result of failure to ratify the Trade Agreement, U.S. exports to Peru have increased dramatically as a result of the United States – Peru Trade Promotion Agreement (PTPA) implemented in 2009;

Whereas between 2008 and 2010, United States exports of corn, wheat, and soybeans to Peru increased by a combined 99 percent;

Whereas the United States Department of Agriculture recently released a report showing that the United States–Peru Trade Promotion Agreement has helped make Peru ‘‘the fastest growing market in South America for the United States’’;

Whereas in fiscal year 2010, United States agricultural exports to Peru reached $737,000,000, up 258 percent from fiscal year 2006;

Whereas Colombia projects infrastructure spending of more than $125,000,000,000 over the next decade, focused especially on energy, oil and gas, roads, ports, and airports;

Whereas the Trade Agreement will help American exporters and service firms to compete for infrastructure-related exports and service contracts, which produce good jobs for American workers;

Whereas the Chief Executive Officer of Caterpillar, Doug Oberhelman, testified in a Ways and Means Trade Subcommittee hearing on March 30, 2011, that the manufacturer of a construction vehicle can expect to generate sales equivalent to three times the sale value of the vehicle through parts and related purchases during the lifespan of the vehicle;

Whereas five major Colombian cities are in the process of upgrading their mass transit systems;

Whereas Colombia is a promising market for auto exports by United States auto manufacturers, as roads are upgraded and as road systems are expanded;

Whereas the Colombian Government is replacing 285,000 of its vehicles, because they have an average age of 23 years of service, representing a good opportunity for United States auto manufacturers;

Whereas international flights in Colombia have increased 120 percent since 2000;

Whereas Colombia is soliciting private interest in laying a trans-Pacific submarine cable to diversify telecommunications lines with China and other Asian countries, as Asian trade expands;

Whereas broadband access in Colombia increased 46 percent in 2009, but access remains low by international standards, which presents opportunities for U.S. exporters and service providers;

Whereas Colombia currently seeks investment in numerous large-scale energy projects, among them a $1,500,000,000 sale of the government's majority stake in Colombia's third-largest power generator and sale of 2 public-sector generation companies, representing one-third of installed thermal capacity and 4 percent of hydropower capacity, for a total of 1500 megawatts; development of a $2,400,000,000 facility that will have installed capacity of 2,400 megawatts, representing 20 percent of Colombia's currently installed capacity; and development of an $810,000,000 facility that will have an installed capacity of 400 megawatts;

Whereas Colombia already has the fifth-largest oil reserves in Latin America and is conducting extensive exploration, thanks to significantly increased recent foreign investment, which exceeded $3,000,000,000 in 2010;

Whereas Colombia has natural gas reserves spread over 18 basins and a network of over 2,000 miles of pipeline, providing United States service firms opportunities in exploration, drilling, and pipeline maintenance;

Whereas China has invested over $1,500,000,000 in Colombia's oil sector since 2006 because China's oil consumption is projected to double by 2030;

Whereas China also announced this year plans to develop a railroad to compete with the Panama Canal in moving coal and other energy products between the Atlantic and Pacific coasts and from the Colombian interior;

Whereas in his State of the Union Address on January 25, 2011, President Obama said, "The first step in winning the future is encouraging American innovation … We'll invest in biomedical research, information technology, and especially clean energy technology … Now, clean energy breakthroughs will only translate into clean energy jobs *if businesses know there will be a market for what they're selling* …" (emphasis added);

Whereas Colombia is a promising market for clean energy technology and other green sector exports from the United States, as well as green sector service providers;

Whereas Colombia ranked fourth in Latin America in total greenfield investment in clean technologies from 2003 through 2008, exceeding $1,200,000,000 in investment;

Whereas Colombia maintains blending requirements that ensure significant domestic Colombian demand for biofuel but produces only two-thirds of its needed ethanol and biodiesel supply, which provides both export and investment opportunities for United States firms in the sector;;

Whereas hydropower generates two-thirds of Colombia’s energy, providing major opportunities for United States exports and service providers in the hydropower sector;

Whereas 6 Colombian states have solar energy potential ranging from 1,200 to over 2,000 kwh per square meter per year;

Whereas Colombia’s wind sector is growing but is dominated by Spanish exporters, which benefit from a bilateral investment treaty between Colombia and Spain;

Whereas Colombia has made dramatic and sustained strides in restoring the rule of law and improving safety and quality of life for all Colombians and, in particular, union members;

Whereas the International Labor Organization removed Colombia from its labor watch list in 2010, called Colombia’s expanded collective bargaining rules ‘‘satisfactory’’, ‘‘recognized all the measures . . . adopt[ed] recently to combat . . . violence against the trade union movement’’, and noted that such violence fell between 2008 and 2009;

Whereas the United Nations cited Colombia’s commitment to achieving human rights goals that the United Nations had recommended and took note of contributions of the Constitutional Court, Prosecutor General, and the Ombudsman;

Whereas 14 Colombian labor union leaders, representing 79,000 Colombian workers, have publicly recognized Colombia’s progress in combating labor violence and have expressed public support for the Trade Agreement;

Whereas in response to labor violence improvements, the President of the United Workers Confederation in Colombia has stated, ‘‘Never in the history of Colombia have we achieved something so important’’;

Whereas the overall homicide rate in Colombia is now down to 32 for every 100,000 people, and the U.S. Department of State reports that, between 2002 and 2008, homicides in Colombia fell by 44 percent, kidnappings by 88 percent, terrorist attacks by 79 percent, and attacks on the country’s infrastructure by 60 percent;

Whereas homicides against union members in Colombia continue to decline dramatically, from 196 cases in 2002 to 33 in 2010 – a decline of 83 percent – and the homicide rate for union members in Colombia is now lower than for the general population;

Whereas Colombian constitutional reform has shortened by 75 percent since 2004 the time it takes to prosecute a homicide case;

Whereas Colombia has established a special program that provides security for over 10,000 people, with about 25 percent of the program’s $13,000,000 budget in 2010 having been allocated to protecting labor union leaders;

Whereas Colombia has significantly increased funding for its Prosecutor General’s office, which has a 2011 budget of over $836,000,000, and added 2,166 professional positions in 2008;

Whereas in 2006, Colombia established a dedicated team within the Prosecutor General’s office to deal exclusively with cases of violence against labor leaders, with 114 legal professionals;

Whereas Colombia has quintupled in three years the convictions for crimes against union members, from 16 in 2006 to 84 in 2009, and by May 2010, had reached 98 convictions;

Whereas Colombia has implemented all eight of the core International Labor Organization conventions—six more than the United States;

Whereas the authority to declare the legality of strikes is now the purview of the judiciary, not the executive branch, which depoliticizes decisions, and employers no longer have a unilateral right to force a strike to arbitration;

Whereas Colombia is the United States’ closest ally in South America;

Whereas the United States’ investment of over $8,000,000,000 in aid through Plan Colombia and the follow-on efforts of the U.S. Southern Command (SOUTHCOM), the United States Agency for International Development, and other agencies have given Colombia hope in the depths of civil strife, and in response to which Colombia has more than matched United States assistance to Colombia, with United States security cooperation funds amounting to less than 5 percent of the Colombian defense budget in 2010;

Whereas the Central Intelligence Agency’s Crime and Narcotics Center reported that coca cultivation fell 29 percent and cocaine production 39 percent in 2008 in Colombia;

Whereas Colombia’s National Narcotics Directorate raided and destroyed 36 percent more clandestine drug laboratories in 2008 than in 2007 and interdicted $117,000,000,000 in cocaine from 2002 to May 2009;

Whereas the Drug Enforcement Agency in 2010 reported that the United States price of cocaine rose over 75 percent, while its purity fell over 31 percent—demonstrating that efforts in Colombia are making an impact in the United States;

Whereas Colombia has been training militaries and police in counternarcotics and counterinsurgency measures in Afghanistan, Mexico, Haiti, Central America, the Caribbean, Paraguay, and Africa;

Whereas Colombia is Latin America’s third largest provider of energy products to the United States, behind only Mexico and Venezuela, and exported over 40 percent of its petroleum production to the United States in 2009;

Whereas according to a March 2010 report by the Department of Energy's Energy Information Administration, Colombia is the world's fourth largest exporter of coal, and the United States depended on Colombia for 80 percent of its coal imports through the first nine months of 2009, though Colombia began making substantial coal exports to China in 2009;

Whereas China has quadrupled its share of the Colombian market in the last ten years to become Colombia's second-largest trading partner;

Whereas forty-three former Democratic Members of Congress, Cabinet Officials, Ambassadors, and other senior officials signed a letter in 2007, stating, "Latin America is up for grabs. As Democrats, we are deeply concerned … [P]ostponing [the Trade Agreement] until conditions are perfect would send an unambiguous signal to our friends and opponents alike that the United States is an unreliable partner without a vision for cooperation in our hemisphere. Colombia would certainly re-evaluate its relationship with the United States …";

Whereas on April 15, 2008, former Commerce Secretary (and current Chief of Staff to the President) Bill Daley and thirty-four other Democratic Members of Congress, Cabinet Officials, Ambassadors, and other senior officials signed a letter stating the following: "We, the undersigned, who have served in senior positions in the U.S. government, strongly urge Congress to take up and approve the U.S.-Colombia Free Trade Agreement this year. We believe this Agreement is in both our vital national security and economic interests. We feel that the treaty should be considered as soon as possible and that any obstacles be quickly and amicably resolved."

Whereas Admiral James Stavridis, currently Supreme Allied Commander-Europe, speaking in 2008 as then-commander of U.S. Southern Command said, "As your national security advisor in that region, I will tell you that it is very important that the free trade agreement be passed from a national security perspective. And, I hear that not just from senior people in Colombia, but from my interlocutors in the region. They're watching very closely to see what happens to a nation that stands with the United States for a decade or more";

Whereas Generals James Hill, Peter Pace, Charles Wilhelm, Barry McCaffrey and George Joulwan, in 2008 as former commanders of the U.S. Southern Command (1990 to 2004) said, "This vital agreement will advance U.S. interests in Colombia, a strategically located country that is arguably our closest ally in Latin America . . . [and] advance U.S. security and economic interests by forging a deeper partnership";

Whereas in March 2009, in a response to a question from Senator Grassley, then Mayor Kirk responded, ". . . we do agree with you that Colombia provides a great opportunity, and we will work with you to see if we cannot get that advanced sooner rather than later";

Whereas in April 2009, Ambassador Kirk, said "We're looking for new solutions to the issues that have dragged on in existing Free Trade Agreements . . . At the Summit of the Americas, President Obama instructed me to lead a review of the Colombia agreement to deal with outstanding issues there";

Whereas during the State of the Union on January 27, 2010, President Obama stated that “the more products we make and sell to other countries, the more jobs we support right here in America”;

Whereas on January 24, 2011, Ambassador Thomas “Mack” McLarty, who served as Chief of Staff to President Clinton, and Nelson Cunningham, a senior official in President Clinton’s Administration, said, “[T]he president should commit to advancing the pending trade agreements with Colombia and Panama right now, instead of leaving them until later as some in his administration would prefer. Why bother taking a half-measure on trade?”;

Whereas on January 25, 2011, Senate Finance Committee Chairman Max Baucus said, “We have delayed action on the Colombia Free Trade Agreement for too long. Now is the time to resolve outstanding issues and approve the Free Trade Agreement so American ranchers, farmers, and workers can have a chance to compete”;

Whereas on January 28, 2011, Secretary of State Clinton said about the Trade Agreement, “We want to pass the Agreement. In order to pass the Agreement, we have to be able to make the case to the Congress, and that is what I am intent upon doing”;

Whereas after meeting with the Colombian Vice President on January 28, 2011, Vice President Biden issued a press release, which stated, “Vice President Biden expressed the Administration’s commitment to work closely with the Government of Colombia and other key stakeholders on the successful conclusion of the U.S.–Colombia Free Trade Agreement. Vice President Biden . . . underscored the Administration’s support for key reforms being pursued by President Santos and his Administration”;

Whereas on February 9, 2011, Ambassador Kirk testified at a House Ways and Means Committee hearing that “the President has directed me to immediately intensify engagement with Colombia and Panama with the objective of resolving the outstanding issues as soon as possible this year and bringing those agreements to Congress for consideration immediately thereafter”;

Whereas, testifying before the Senate Finance Committee on February 16, 2011, Treasury Secretary Geithner said of the Trade Agreement and our two other pending trade agreements, “We’d like to pass all of them, alongside trade adjustment assistance, and we want to di it this year … They’re overwhelmingly in our favor economically, and if we don't do it, what that means is that business just goes to other countries. It just makes no sense as a country … [T]he world is watching to see whether we find a way to rebuild a political consensus in the United States on agreements like these. And our hand, strategically, in Asia and in emerging markets, will be much stronger if we can demonstrate, through these agreements, that we've found a way to rebuild that consensus on trade”;

Whereas on March 2, 2011, six former U.S. Trade Representatives, two former Ambassadors at Large to Latin America, and eleven former Assistant Secretaries of State for Western Hemisphere Affairs, a bipartisan group representing both Republican and Democratic administrations, stated in the letter to the President and leaders of Congress, “The time to ratify the Colombian and Panamanian FTA’s is long overdue. Therefore, we respectfully urge you to agree on a firm deadline for ratifying the Colombian and Panamanian Free Trade Agreements within the first half of 2011";

Whereas Senator Baucus, in a Senate Finance Committee hearing he chaired on March 9, 2011, with Ambassador Kirk as the sole witness, said that "… the time has passed to ratify the Colombian free trade agreement. It's long past. I mentioned in my opening remarks, we're losing market share hand over fist. Hand over first, we're losing market share … This is a no-brainer, Mr. Ambassador, no-brainer, and I just hope we get this passed quickly";

Whereas, in response to Senator Baucus' comments on the Trade Agreement in the Senate Finance Committee's hearing on March 9, 2011, Senator Kerry said, "I just wanted the record to reflect, I'd like to associate myself with [Senator Baucus'] remarks. I think they're very important and I appreciate them";

Whereas, in the Senate Finance Committee hearing on March 9, 2011, Senator Nelson of Florida said, "I want to add my comments to the Chairman's comments. I support the Colombia Free Trade Act … [T]his is good for our country and it's certainly good for my state because we have a great deal of trade both ways with Colombia";

Whereas, on March 17, 2011, in testimony before the Trade Subcommittee of the House Ways and Means Committee, Deputy United States Trade Representative Miriam Sapiro said, "The Colombia FTA holds the prospect of substantial benefits for U.S. workers, businesses, farmers and ranchers … The Obama Administration shares the sense of urgency we have heard from many Members of Congress to advance the Colombia FTA"; and

Whereas in establishing the President's Export Council in July 2010, President Obama stated, "We also want to deepen and broaden our relations with Panama and Colombia.
So we're working to resolve outstanding issues with the free trade agreements with those key partners, and we're focused on submitting them as soon as possible for congressional consideration." Now, therefore, be it

Resolved, That the House of Representatives calls on the President to submit the United States-Colombia Trade Promotion Agreement to Congress in time for its consideration by not later than July 1, 2011.